

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 19, 1998

Susan Limon, Treasurer
Tenet Healthcare Corporation
Political Action Committee
3820 State Street
Santa Barbara, CA 93105

Identification Number:

C00119354

Reference:

Year End Report (7/1/97-12/31/97)

Dear Ms. Limon:

On February 25, 1998, you were notified that a review of the above-referenced report(s) raised questions as to specific contributions and/or expenditures, and the reporting of certain information required by the Federal Election Campaign Act.

Your March 5, 1998 response is incomplete because you have not provided all the requested information. For this response to be considered adequate, the following information is still required.

-Your response provided a letter from the recipient committee of your earmarked contributions, Federation of American Health Systems PAC (FedPac). FedPac explained in their letter that the contribution from your committee was actually individual contributions sent to the Tenet PAC but earmarked for FedPac. These contributions, therefore, would not count against Tenet PAC's contribution limits, but annual individual limits.

An SSF, Tenet PAC, may act as a conduit for earmarked contributions. An earmarked contribution counts against the original contributor's contribution limits. It does not count against the limits on the SSF's own contributions unless the SSF exercises direction or control over the contributor's choice of the recipient committee or unless the earmarked contribution was solicited by the connected organization. 11 CFR §110.6(d). If the earmarked contribution was solicited from the restricted class by a communication from the SSF's connected organization and was

collected by the SSF, it is considered a contribution to both the SSF and the recipient committee, and from both the individual contributor and the SSF.

Your Schedule B disclosing the disbursement of the earmarked contributions to FedPac states - "Earmarked Contributions solicited through Tenet-PAC". Please clarify your solicitation efforts (i.e., who makes the solicitation and is there any mention of contributing to FedPac in the solicitation). Additionally, please provide a copy of your solicitation.

If the contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If you have made an excessive contribution, you should notify the recipient and request a refund of the amount in excess of \$5,000.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund request sent to the recipient committee.

If this information is not received by the Commission within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Neil Evans on our toll-free number (800) 424-9530 or our local number (202) 694-1130.

Sincerely,

John D. Gibson

Assistant Staff Director

Reports Analysis Division

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